



Town of Acton


472 Main Street
Acton, MA 01720

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Finance Department
Stephen G. Barrett, CPA, Director

July 11, 2003

TO: Don Johnson
FROM: Stephen G. Barrett, CPA 
SUBJECT: Petition to Sewer Commissioners from 69\71 School Street
Condo to re-evaluate water usage
REFERENCE: Subjects' letter to the Sewer Commissioners dated 6/23/03

Prior to specifically addressing the above Subject and Reference letter, we would like to review a few of our past customer situations where the Sewer Commissioners have approved staff recommendations requested pursuant to customer volume readings:

- In August 2002 we addressed several volume related questions. In one instance, a customer purchased a property in the early part of a winter water reading period. The customer stated that the readings we were using on the property represented unrealistic volumes. He indicated that he didn't think his family was using that much water. In this case, we recommended, and the Commissioners approved, that only the winter reading time period applicable to the customer's property ownership interest should be considered in our billing. (Reference our memo dated August 16, 2002, #1, copy attached).
- In September 2002, one customer wrote in that he was paying too much for his sewer usage. He complained that we were using water flows from a previous owner. He did his own calculations and believed that his usage was substantially lower. Since our continuing policy has always been to bill on the latest winter water usage, that was our recommendation, the Commissioners concurred, and we did not change our gallon per day charge. (Reference our memo dated September 20, 2002, #1, copy attached).
- In the same month, we had two other properties (plus the Temple from our August memo) with extremely low readings for the latest winter period. We recommended not to deviate from our policy, but rather to continue to bill based on the low readings and then take a winter interim reading and go back and re-calculate and re-bill based on the latest interim reading. (Reference our memos dated September 20, 2002, #3 and #4, and August, 16 2002, copies attached).
- And finally, in November 2002, a customer asked that our volume reading be adjusted due to the fact that (3) household members were no longer

inhabitants of the residence. Our recommendation, based on known pertinent data, was to continue to utilize our prescribed methodology and not deviate to some other volume reading. The Commissioner's approved of our recommendation. (Reference our memo dated November 15, 2002, #3 and #4, copy attached).

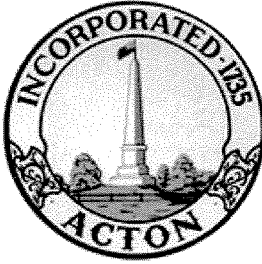
The basic principal of our sewer O & M billing system is to bill for the previous winter's water flow. We realize that some residents would clearly benefit, from the standpoint that the previous winter flow readings may be less than current consumption. Conversely, we also realize the reverse could be happening to other residents. In all cases however, we believed that generally, over some period of time, the pluses and minuses to each property would generally balance out and that our winter reading period(s) were the most equitable for all in the sewer district.

Now, turning our attention specifically to the above Subject and Reference letter, we offer the following information/comments for your consideration:

- This is a multi-family dwelling, housing 2 families in a condo ownership environment, with single water service provided to the building. As to how that flow is divided between the 2 families, we have no idea. Each month we bill the "condo association" and receive two checks from them totaling our month's bill. (Payments are not always prompt nor are they complete).
- Attached, please find a copy of the water flow history to the property, detailing flows, ownership changes, time periods and average gpd. Please also note that we arranged for a 6/24/2003 reading subsequent to the resident's petition.
- Staff has researched all available records (e.g., tax, excise, assessor cards, voter lists, school population reports) to verify occupancy levels in both units and any indication(s) of changes and/or timing thereof, and has determined that occupancy is indeed 2 families; one consisting of an adult and a child and the other consisting of 2 adults and 2 children.
- Staff has also determined, through building records, that in late 2001, 71 School Street converted an attic into 2 bedrooms and took one of the already existing bedrooms and made a second bathroom out of it.
- The resident's letter states that recently they discovered a toilet leak during the winter of 2002\2003. It further states that the leak has now been fixed. The letter goes on to cite dates, water used and gallons per day ("gpd") mathematical calculations, all leading to the resident's conclusion that their water usage today is dramatically lower than that registered by the Water District for this last winter. Therefore, they believe they should not be billed using this last winter's flow reading.
- We cannot determine when the appliance leak started. The only certainty that we (the Water District and Town Staff) know beyond any doubt is that the property's water consumption for the winter of 2001\2002 averaged 649 gpd, the summer water consumption for 2002 averaged 814.8 gpd, and that the winter consumption for 2002\2003 averaged 743.5 gpd.
- Of the 814.8 gpd average during the summer of 2002, we do not know what went into the sewer system; of the 743.5 gpd average during this latest winter of 2002\2003, we know that the preponderance of it went into the sewer system; but, in both cases, we have only been billing for 649 gpd. Whether there has been a leak or not, the indisputable fact is that during the FY '03

winter, what actually went into the sewer system was larger than the amount billed of 649 gpd.

- The circumstances of this case clearly represent both the benefits and drawbacks of utilizing an arrears billing system to the property owner and the Town.
- We do not recommend change re: this property.



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Finance Department
Stephen G. Barrett, CPA, Director

August 16, 2002

TO: Don P. Johnson
FROM: Steve Barrett
RE: Sewer Operation and Maintenance (O+M) Billing Policy Issues

As we work towards the August 2002 sewer O+M rate setting, I would like to detail the issues that are being raised by our customers and how I would recommend that they be dealt with. Please keep in mind that our sewer usage billing is now based on the Acton Water District winter reading, which encompasses water usage from September 2001 through March 2002.

The following situations have arisen, and I've outlined my intended course of action:

#1) A property was conveyed in the District on October 25, 2001, and a final reading was made at that point. According to Acton Water District records, a new meter was also installed upon conveyance. Upon connection, the owner was billed based on the prior winter water usage reading. The owner has stated that using September 2001 through March 2002 resulted in an "unrealistic" volume indicator of 352 gallons-per-day being used to calculate his bill. He didn't believe that his family used that much water. He wanted some other volume used. At the owners request a new water meter was installed on his property two weeks ago. If we use the October 25, 2001 through March 2002 volume, this customer would be billed based on 321 gallons-per-day. I recommend, given the facts in this instance, that we change our volume indicator to 321 gallons per day from here forward and credit this customer's account accordingly. I do not believe however, that this adjustment to 321 gallons per day will satisfy the customer's concern over perceived inaccurate water readings.

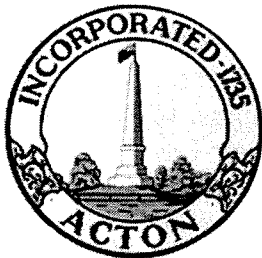
#2) The Congregation Beth Elohim has recently hooked up to the sewer system. The reading from September 2001 through March 2002 reflects a volume of 36 gallons per day. I believe that this volume is low due to the fact that the Temple construction project was underway during this period. I would propose that we handle this customer as follows:

- Use the 36 gpd volume indicator for August – December 2002 billing while reserving our rights to review the usage at some point in the future.
- Request a special reading in December 2002.
- Determine gpd from the next two readings, (September 2002 through December 2002) and retroactively bill the customer for the prior months at the new volume.
- Allow the Temple the opportunity to deposit monies against what could be a significant back-charge once a new volume indicator is utilized.

#3) An individual purchased a new home in the District (Hillcrest Ave.), while leaving a home also situated in the District (Beverly Road). Our policy has been to bill new homes with no prior consumption data available at Title V volumes. This customer wants the Town to bill the sewer usage based on the water consumption at the prior residence. My recommendation is to use the reading at the prior residence for several months, reserve our rights, obtain a new reading and adjust accordingly.

#4) The Law Office of D'Agostine, Levine + Parra + Netburn PC (268 Main Street) has connected and is a new customer for the August billing cycle. Our understanding, based on Acton Water District information, is that all water usage flows through a single water meter that is currently billed to Redstone Condominiums. There appears to be no allocation of water usage to the law office property. Accordingly, I believe that the Town has billed all flow through the single meter to the Redstone property and no sewer usage bill should be issued to the law office. In effect, since the Acton Water District doesn't break out usage between these two distinct customers, the Town is subsidizing both residential and commercial usage at this location. I do suggest that we reserve our right to change our billing methodology if anything changes pursuant to how the Acton Water District bills water usage on this property.

Thank you for your assistance.



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Finance Department
Stephen G. Barrett, CPA, Director

September 20, 2002

TO: Don P. Johnson
FROM: Steve Barrett
RE: Sewer Operation and Maintenance (O+M) Billing Policy Issues

As we are at the September 2002 sewer O+M rate setting time, I would like to detail a few current issues that have been raised by some of our customers and indicate our recommendation as to how these issues should be dealt with. Please keep in mind that our sewer usage billing is based on the Acton Water District's latest winter reading, which encompasses water usage from September 2001 through March 2002.

The following situations have arisen, and I herewith outline my intended course of action:

#1) A customer wrote in saying he just purchased a property on Faulkner Hill Road and wants a review of his sewer bill because he claims he is "paying too much."

He apparently talked with someone in our department and was advised that the billing was based on last winter's water usage, which, he points out, was under the previous owner. He has done his own calculations on this matter and believes he should be billed at an average rate of 155.3 gallons per day ("gpd"). Under the previous owner, we have been billing at an average rate of 221.4 gpd.

The customer's contention is that when he assumed ownership; he had the interim meter reading from the Water District; he then read his own meter, did the math and came up with his gallons per day versus what we are billing.

We had the Water District take a current reading and based on the usage, the average rate of current use is 151.4 gpd.

Our policy has been to bill on the prior winter water usage. As such, I recommend that we do not change our volume indicator to 151.4 gpd but rather utilize the 221.4 gpd.

#2) A homeowner on Parker Street came in to Town Hall and asked how he would be billed for wastewater treatment, since the Acton Water District does not service his home. The Town of Maynard provides his water service. It was explained that in the case of well water users, Title V flows are used for billing purposes. In this instance, he would likely fall into that category and that for a 3-bedroom home, the charge would be based on 132 gpd. The homeowner indicated that he felt his usage was less than that, and it was stated that we would look at his situation once he actually hooked up. The homeowner has hooked up, and he has asked that we analyze his situation.

He has provided us with his billing data from the Town of Maynard, detailing his water and sewer usage for the last five billing periods. The billing periods end in June and December, with actual bills not being issued until September and March of each respective year. Using his consumption data from the winter of 2002, it results in a flow indication of 88.9 gpd. We have met with the Town of Maynard DPW and the Treasurer's/Collector's Departments, who have been most cordial and cooperative and have all indicated that they can and will supply us with the appropriate water usage card to meet our needs any time we need it. I therefore recommend we bill this customer based on his water consumption as detailed by the Town of Maynard DPW.

As far as a precedent for future similar situations, according to the Health Department there are no other properties currently using Maynard water; however, there is another property on Parker Street that will receive water from Maynard, once a house is built on the property. Since there will be no historical usage data on that property, Title V flow information would be used for billing purposes until the right current usage data is developed.

#3) A property on Main Street recently hooked up to the sewer system, and the water meter reading for the period September 2001 through March 2002 reflects a volume usage of just 4.3 gallons per day. This is a 4 bedroom house, with Title V indicated volume flow of 176 gpd. In reviewing the water usage history on this property, and discussing same with the Acton Water District, it appears that there has been a failing/failed water meter at this location for the last few years. The winter of September 2000 through March 2001 had volume usage of 22.1 gpd, with a conveyance in November 2000. Under the new occupants of the property, for their portion of the same winter, usage dropped to 10.9 gpd.

A new meter was finally installed in June of this year, and from that date to a requested reading by us in September, the current volume usage is running 223.2 gpd.

It is recommended that we handle this customer as follows:

- Use the 4.3 gpd volume indicator for September – December 2002 billing.
- Request a Water District meter reading in December 2002.
- Determine the gpd usage from the September - December 2002 reading and retroactively bill the customer for the September - December months at the new volume.
- Allow the customer the opportunity to deposit monies with us against what could be a significant back-charge once a new volume indicator is utilized.

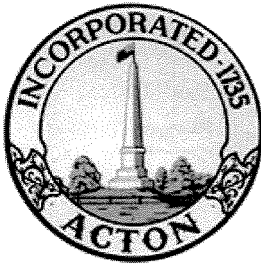
#4) In this instance, we not only have a property hookup (on Parker Street), but a conveyance (from the elderly owners to new owners), together with installation of a new meter, all at the exact same time. The issue here is that the new owner(s) will be billed on the old owner's last winter usage, which was 27.5 gpd. This is a 2 bedroom house, with Title V indicated volume flow of 88 gpd. Historically, the preceding three winter usages were ('00-'01) 30.3 gpd, ('99-'00) 37.2 gpd and ('98-'99) 58.5 gpd, respectively.

I recommend that we handle this customer the same as #3 above:

- Use the 27.5 gpd volume indicator for September – December 2002 billing.
- Request a Water District meter reading in December 2002.
- Determine the gpd usage from the September - December 2002 reading and retroactively bill the customer for the September - December months at the new volume.
- Allow the customer the opportunity to deposit monies with us against the back-charge, once a new volume indicator is utilized.

#5) We have received two communications from Jim Deming, attached, which discuss possible sewer issues as it relates to the installation of "second meters" by water district customers. The Town is already using winter water readings to avoid billing for peak water usage that occurs in the summer. This should satisfy our customer base. I don't recommend that the Sewer Commissioners entertain the concept of "sewer meters" under any circumstance as I see many operational pitfalls.

Thank you for your assistance.



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Finance Department
Stephen G. Barrett, CPA, Director

November 15, 2002

TO: Don P. Johnson
FROM: Steve Barrett
RE: Sewer Operation and Maintenance (O&M) Billing/Policy Issues

At this November 2002 sewer O&M rate setting time, only two "issues" need to be addressed. We outline them below, together with an indication of our recommendation as to how these issues should be dealt with.

#1) Most important, we need to address the fact that the residential rebate program presently expires December 31, 2002. It is our recommendation that the rebate program from the gift fund be extended for another three (3) months, to expire 31 March 2003, subject to further review in February 2003.

#2) A resident at Rosestone Townhouses has requested, in writing, that the gallons currently being billed for Wastewater Treatment be reduced, because, since last winter, three (3) household members no longer live there.

Background: The owner, and occupant since September 2000, has recorded water usage, from AWD records, as follows: winter 00-01 – 86.0 gallons per day (gpd); summer 01 – 145.1 gpd; winter 01-02 – 168.3 gpd; and summer 02 – 144.2 gpd.

Other than the low usage the first winter the party owned the property, there appears to be only a slight appreciable difference in water usage comparing period to period.

It is our recommendation that we continue to bill in accordance with Sewer District policy using last winter's utilization rate of 168.3 gpd.

Thank you for your assistance.

Season	Period	No. of Days in Period	Cubic Feet of Water Used (per AWD)	Conversion		Average Gals. Per Day (GPD) Usage	
				Factor - CF to Gals. 7.4805	Total Gals. Used for Period		
Winter ' 97-98	9/16/1997	3/10/1998	175	9,180	7.4805	68,671.0	392.41
	9/16/1997	10/27/1997	41	1,578	7.4805	11,804.2	287.91
	10/27/1997	3/10/1998	134	7,602	7.4805	56,866.8	424.38
Summer of ' 98	3/10/1998	9/15/1998	189	12,370	7.4805	92,533.8	489.60
	3/10/1998	5/21/1998	72	5,940	7.4805	44,434.2	617.14
	5/21/1998	9/15/1998	117	6,430	7.4805	48,099.6	411.11
Winter ' 98-99	9/15/1998	3/22/1999	188	10,470	7.4805	78,320.8	416.60
Summer of ' 99	3/22/1999	9/17/1999	179	9,600	7.4805	71,812.8	401.19
Winter ' 99-00	9/17/1999	3/16/2000	181	9,730	7.4805	72,785.3	402.13
Summer of ' 00	3/16/2000	9/26/2000	194	10,330	7.4805	77,273.6	398.32
Winter ' 00-01	9/26/2000	3/28/2001	183	9,870	7.4805	73,832.5	403.46
Summer of ' 01	3/28/2001	9/17/2001	173	10,650	7.4805	79,667.3	460.50
Winter ' 01-02	9/17/2001	3/18/2002	182	15,790	7.4805	118,117.1	649.00
Summer of ' 02	9/17/2001	1/17/2002	122	9,872	7.4805	73,847.5	605.31
	1/17/2002	3/18/2002	60	5,918	7.4805	44,269.6	737.83
	3/18/2002	9/12/2002	178	19,389	7.4805	145,039.4	814.83
Winter ' 02-03	9/12/2002	3/21/2003	190	18,885	7.4805	141,269.2	743.52
	3/21/2003	6/24/2003	95	5,607	7.4805	41,943.2	441.51

Sale to Mossession 10/30/97.

Sale to Teran 5/22/98.

Sale to Drake 1/23/02

New meter installed 8/27/02.